



**Purchasing Contract
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 32
AGENDA DATE: Thu 01/26/2006
PAGE: 1 of 2**

SUBJECT: Authorize execution of a contract with POWELL ELECTRICAL SYSTEMS, INC., Houston, TX for the purchase of two 38kV switchgear in the amount not to exceed \$1,252,676.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2005-2006 Approved Capital Budget of Austin Energy.

FISCAL NOTE: A fiscal note is attached.

REQUESTING Purchasing
DEPARTMENT: for Austin Energy;

DIRECTOR'S
AUTHORIZATION: Vickie Schubert

FOR MORE INFORMATION CONTACT: Dolores Castillo, Senior Buyer/322-6466

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Only bidder meeting specifications of two bids received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract will provide two 38kV arc-resistant switchgear to replace the existing two units at the Seaholm Substation. The existing switchgears at the Seaholm Substation are 15 years old, but have been subject to extreme moisture problems in the past ten years resulting in irreparable damage. The control house has been insulated and air-conditioned in the last three years to correct the problems. Switchgears are used to distribute electricity to the end user or customer. The switchgear has circuit breakers which allow our distribution crew to connect three distinct circuits to businesses. Seaholm Substation is one of two substations that supply the 38kV to the downtown network area.

MBE/WBE Solicited: 1/0

MBE/WBE Bid: 0/0



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**BID TABULATION
IFB No. DC06100004
(38kV Switchgear)**

| <u>VENDOR</u> | <u>QTY</u> | <u>UNIT PRICE</u> | <u>TOTAL BID</u> |
|---------------------------------------|-------------------|--------------------------|-------------------------|
| PACS Industries San Antonio, TX | 2 | \$623,422.04 | \$1,246,844.08* |
| Powell Electrical Sys. Houston, TX | 2 | \$626,338.00 | \$1,252,676.00 |

* Non-responsive. PACS Industries did not meet the minimum requirements of the solicitation

A complete bid tabulation is available in the Purchasing Office.

PRICE ANALYSIS

- a. Low bidder meeting specification.
- b. Six notices were issued including one MBE. Four solicitations were issued. Two bids were received. The MBE did not respond. There are no known WBEs for this commodity.
- c. The pricing offered represents a 1.5% decrease from the last contract awarded March 2001

APPROVAL JUSTIFICATION

- a. Low bidder meeting specification
- b. Austin Energy concurs with the recommended award.
- c. Advertised on the Internet.

CIP BUDGET
Fiscal Note

DATE OF COUNCIL CONSIDERATION:

1/26/2006

WHERE ON AGENDA:

Resolution

DEPARTMENT:

Austin Energy

SUBJECT: Authorize execution of a contract with POWELL ELECTRICAL SYSTEMS, INC., Houston, TX for the purchase of two 38kV switchgear in the amount not to exceed \$1,252,676.

FINANCIAL INFORMATION:

Parent Project Name: **Distribution Substation**
Project Authorization: **2005-2006 Approved Capital Budget**

| | | |
|-----------------------|------------------|--------------------------------|
| Current Appropriation | \$ 68,753,349.00 | |
| Unencumbered Balance | | \$ 12,991,034.85 |
| Amount of This Action | | <u>(1,252,676.00)</u> |
| Remaining Balance | | <u><u>\$ 11,738,358.85</u></u> |


Use of Remaining Balance:

Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project.

Use of Any Remaining Funds After Completion of Project:

No remaining funds anticipated at this time.

Director, Planning and Budget Signature: _____



Date: 1/17/06